

*Bill Blocks Physician Reimbursement Cuts by Permanently Reforming Medicare Payment Formula*

**WASHINGTON** - U.S. Rep. Harry Mitchell today voted to block a 21 percent cut to Medicare payments for doctors and to permanently reform the Medicare physician payment formula to avoid similar cuts in the future. The bill passed the House by a vote of 243 to 183 and is now pending before the Senate.

"These scheduled cuts to doctors' payments would have serious consequences for Medicare recipients and physicians alike," Mitchell said. "This bill strengthens Medicare by ensuring that seniors have continued access to high quality care and a wide choice of doctors. It also means that Medicare physicians will be compensated appropriately for their services next year and for years to come."

Currently, Medicare physician payments are based on a flawed formula called the Sustainable Growth Rate (SGR). Due to the SGR, Medicare patients are scheduled to receive a 21 percent cut in reimbursement payment for doctors in January 2010 as well as additional cuts each following year.

H.R. 3961 would prevent the 21 percent cut from taking effect and instead provide a 1.2 percent increase. It would also permanently reform the Medicare physician payment formula replacing it with a stable system to protect seniors and preserve their relationship with their doctors as well as promote primary care.

In addition to Medicare beneficiaries, the bill would also protect access to physicians for members of the military and their families who participate in TRICARE, which is tied to payment rates used by Medicare.

H.R. 3961 would also ensure that Congress practices fiscal responsibility by enacting statutory pay-as-you-go (PAYGO) rules for budget enforcement into law. Under PAYGO, any legislation before Congress that impacts mandatory spending or tax revenue would be required to be budget neutral, which means that it cannot add to the federal deficit.

The bill is supported by a wide range of organizations representing patients, doctors and other providers, including the American Medical Association, the American Association of Retired Persons (AARP), the Military Officers Association of America, the American Academy of Family Physicians, the American College of Physicians, the American College of Surgeons, the Center for Medicare Advocacy, the Medicare Rights Center, and the National Committee to Preserve Social Security and Medicare.